

PSC APPROVES AGREEMENT REACHED IN WATER & SEWER RATE CASES

Jefferson City (March 16, 2000)---The Missouri Public Service Commission has approved an agreement which authorizes Terre Du Lac Utilities Corporation to increase water and sewer revenues on an interim basis, subject to the Company's compliance with certain terms and conditions contained in the agreement.

Under the agreement, water revenues will increase by approximately \$20,230 (12.36%) a year while sewer revenues will increase by approximately \$14,400 (8.1%) a year. The rate changes will take effect for service rendered on and after April 1, 2000. Terre Du Lac Utilities Corporation serves approximately 1,000 water customers and 880 sewer customers in St. Francois County near Bonne Terre, Missouri.

Sewer rates for a typical residential customer will increase from the current rate of \$14.92 a month to \$15.83 a month. For a residential customer using approximately 6,000 gallons of water a month, water rates will increase from the current rate of \$16.82 a month to \$18.30 a month.

Under the terms of the agreement, Terre Du Lac Utilities Corporation is to:

- 1)** Maintain a record of all customer calls received, including those received via its telephone answering machines, and will ensure that all entries on such records are completed;
- 2)** Complete a "work order" record for all system leaks discovered by Company personnel and/or reported by customers and attach documentation of leak repairs, such as material lists and work notes, to such records pertaining to repaired leaks;
- 3)** Continue to cooperate with the PSC Staff in evaluating problems identified in its water system regarding low system pressure and work with the PSC Staff and the Office of the Public Counsel in developing proposed solutions to those problems;
- 4)** Continue to evaluate the condition of the sewer collection system in the Lac Carmel area through its own efforts and through cooperative efforts with the PSC Staff;
- 5)** Provide a copy of the results of the forthcoming "total water quality" tests of the Company's three wells to the PSC Staff. Those tests are conducted by the Department of Natural Resources;

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- 6) Keep time records of all persons that receive compensation from Company funds as employees of the utility company;
- 7) Keep usage logs for all equipment and vehicles that it shares with its owner's development company;
- 8) Implement a policy whereby work pertaining to establishing service to new customers is done on a "first-come, first-served" basis; and
- 9) Conduct a survey of its sewer system to identify structures that now have the collection system available for service, but which are not yet connected to the collection system.

Rates in this case are interim and are subject to a final decision by the Commission based upon completion of the conditions listed above. The PSC Staff has been directed to file a compliance status report with the Commission no later than September 30, 2000.

The agreement approved by the Commission was submitted by the PSC Staff, the Office of the Public Counsel and Terre Du Lac Utilities Corporation. The agreement was reached as a result of negotiations conducted by the above parties.

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